

January 9-10, 2007

Home health agencies: assessing payment adequacy and updating payments

ISSUE: Are Medicare payments for home health agencies (HHAs) care adequate? How should payments for fiscal year 2008 be updated?

KEY POINTS: We examine six factors to determine whether payments for home health care in fiscal year 2007 are adequate:

- Access to care,
- Supply of providers,
- Volume of services,
- Quality of care,
- Access to capital, and
- Payments and costs.

We then examine how costs are likely to change in 2008 and present draft recommendations.

ACTION: Commissioners should review the findings in preparation for voting on recommendations.

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